

**MINUTES FOR REGULAR COMMISSION MEETING HELD JULY 12, 2010
BEGINNING AT 1:00 P.M. IN THE COMMISSION BOARD ROOM IN DUCHESNE,
UTAH**

Present

Commission Chairman Kent R. Peatross, Commissioner Kirk J. Wood, Commissioner Ronald Winterton, Deputy Clerk Auditor Leann Stewart, and Commission Assistant BobbiJo Bailey taking minutes of the meeting.

Opening Comments

Chairman Peatross gave the prayer. There were no other comments.

Pledge of Allegiance

Any wishing to participate.

Tax Adjustments – Assessor

The commission reviewed the attached tax adjustments presented by Deputy Clerk Stewart. *Commissioner Wood motioned to approve the tax adjustments as recommended by the Assessor's Office. Commissioner Winterton seconded the motion. All commissioners voted aye and the motion passed*

Consideration Of Payment Vouchers

The commission reviewed vouchers #114427 through #114497 dated July 06, 2010 in the amount of five hundred twenty six thousand eighty dollars and ninety three cents (\$526,080.93). The commission also reviewed vouchers #114497 through #114561 dated July 12, 2010 in the amount of five hundred nine thousand eight hundred twenty eight dollars and three cents (\$509,828.03). *Commissioner Wood motioned to approve the vouchers presented by Deputy Clerk Stewart. Commissioner Winterton seconded the motion. All commissioners voted aye and the motion passed.*

Consideration Of A Business License Application For CI Wood Working

Chief Deputy Clerk JoAnn Evans joined the meeting at 1:22 P.M...

Deputy Clerk Evans stated that this company will do wood working such as signs and crafts; this has been signed off by the Planning and Zoning Department. *Commissioner Wood motioned to approve the application as presented by Deputy Clerk Evans. Commissioner Winterton seconded the motion. All commissioners voted aye and the motion passed.*

Consideration Of A Business License Application For Pickup Wellsite Services

Deputy Clerk Evans stated that we have been after this company for two (2) years and it is finally in compliance. *Commissioner Wood motioned to approve the application as presented by Deputy Clerk Evans. Commissioner Winterton seconded the motion. All commissioners voted aye and the motion passed.*

Consideration Of A Business License Application For Vom Red-Rock

Deputy Clerk Evans stated that this company has a kennel license and a business license; the kennel license is required to get the business license for dog training. *Commissioner Wood motioned to approve the business license application and kennel license application as presented by Deputy Clerk Evans. Commissioner Winterton seconded the motion. All commissioners voted aye and the motion passed.*

Consideration Of A Mineral And Warranty Deed

Deputy County Attorney Jonathan Stearmer joined the meeting at 1:25 P.M...

Attorney Stearmer stated that this is going back to 2006-2007 on a suit with the Fausett Family. For the resolution of that suit, there were deeds that were executed from the Fausett Family Trust to Duchesne County, but the descriptions were wrong, and the percentages that they were giving to the county was only supposed to be twenty five percent (25%) in interest and they signed away one hundred percent (100%) to the county. He sent copies of multiple letters in 2008, stating that we don't mind executing new deeds to clear this up, and never heard back from their attorney until about three (3) months ago. We are going to deed everything back to the family trust, then hold on to them until they give us a signed deed giving us the twenty five percent (25%) that we should have had. He will then take the deeds to the Uintah County Recorder's Office, record our deeds first, and then record theirs to get things cleared up. *Commissioner Wood motioned to approve the*

signature of the Mineral and Warranty Deed documents. Commissioner Winterton seconded the motion. All commissioners voted aye and the motion passed.

Consideration Of Oil And Gas Lease With Branta Exploration And Production, LLC

Attorney Stearmer stated that this documentation was brought in by John Tull, who is doing landman services for Branta Exploration and Production. The only concern that he had was that he had never heard of this company, but was assured by Mr. Tull that it is a reputable company who is interested in entering into a lease. This is a standard lease of five (5) years, 1/6th royalty, on a three and a half (3.5) acre tract of land. *Commissioner Winterton motioned to accept the oil and gas lease with Branta Exploration and Production, LLC. Commissioner Wood seconded the motion. All commissioners voted aye and the motion passed.*

1:30 P.M. Public Hearing –

Consideration Of Amended Plat Of Eagle Estates Phase 4

County Community Planning Administrator Mike Hyde, Property Owners Earlene Page & Shalon Reynolds, & Bob West with RS West Real Estate joined the meeting at 1:30 P.M...

Administrator Hyde stated that Mr. West had appeared before the Commission back in March of 2007 for Eagle Estates Phase 4. The proposal was approved subject to the roads being paved, because the lots were in the two (2) acre range, put in water systems to serve those lots, and put in another connection to 3000 West on 660 North. The commissioners had an agreement with Mr. West at that time to improve the road with him paying twenty five percent and the Road Department paying seventy five percent. The plat got recorded and Mr. West posted bond for one hundred twenty five percent (125%) of the improvements, however shortly after that time the recession hit and he never followed through with the subdivision. He is back for an alternative or amendment to Phase 4. Mr. West has buyers for larger lots and has proposed doing a seven (7) lot subdivision instead of the original twenty two (22) lot subdivision. With those seven (7) lots, the amount of roads needed have decreased and the size of the lots being seven (7) acres and larger the gravel standard is acceptable per the subdivision ordinance. The Planning Commission looked at this amended plat at their public hearing on July 7, 2010 and has recommended approval of the amended plat subject to the conditions on page two (2) of the staff report. Dry Gulch Irrigation Company attended the Planning Commission meeting and indicated that they have had to shut off the irrigation water occasionally because of problems to avoid liability of water causing potential damage. After hearing a question from the commission, Mr. Hyde recommended inserting additional language on condition 1b where it says complete paved county road standard improvements for the extension of 660 North adding “between the edge of pavement on 3200 West to 3000 West”.

Public Comment

Earlene Page- She owns the property where the new road is going to go across. When we bought that property we knew that there was a right of way. Her concern is that there is a well that is their source of water and if there is a road built over the pipeline, she asks that her waterline be protected. There is a fence that separates her property; she wants to know if it will be replaced if it gets taken down to build the road.

Attorney Stearmer stated that if the fence is on Mrs. Page’s property, then there is not an issue of where the road goes. He does question if the fence is on the right of way or not.

Mr. Hyde pointed out the fence on photos in the attached staff report.

Mr. West stated that they will relocate the fence, if necessary, that’s just proper courtesy.

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Chairman Peatross stated that he has some questions for Mr. West and is not ready to sign off just yet. He asked Mr. West to address the conditions of the property and what he has in mind.

Mr. West replied by stating that Administrator Hyde presented the conditions that were suggested by the Planning Commission.

Chairman Peatross stated that he is assuming that Mr. West is going to hold the county to the agreement that was made in 2007 and asked if that is his intent.

Mr. West replied by stating that it is up to the commission, and that the reason he is proposing seven (7) lots instead of twenty two (22), is because it's not economically feasible.

Chairman Peatross stated that he is not in favor of continuing with the agreement and that they never received a written response back and it is two years later. He feels that the continuation of the road should fall upon the shoulders of the developer.

Administrator Hyde stated that when the Planning Commission looked at the original plan of Phase 4, with 22 lots, there was a lot of testimony from Eagle Estates property owners because the children had to walk down to 3000 West, at the end of the subdivision, at 300 North. In order to make the bus loop, they said that 660 North would be the best place for the second access. Now the question is, even though they are reducing the lots down to 7 lots, is the second access still needed? The Planning Commission feels that the second access is needed, for a possible bus loop, in the event there is an accident, power line down, and other things that may happen that make a second access necessary.

Chairman Peatross stated that he feels the road needs to be there, but Mr. West is on his own as far as building it, and it needs to be built to our county's standard.

Commissioner Wood stated that the two (2) year deadline has passed, why would we approve this with conditions, when the last time it was approved with conditions, they weren't met? In his way of thinking, until the road gets built, he doesn't want to see anything approved.

Chairman Peatross asked Mr. West concerning the cul-de-sacs, is it the intent to have the county take on responsibility for those roads?

Mr. West replied by stating yes, as long as it is brought up to county specifications.

Chairman Peatross stated that he is going to vote against that issue as well. We have all of these little islands of gravel road all around the county and the public has no reason to go in there unless they are snooping. If you are talking about a loop for safety purposes, then maybe the county has interest in taking it on as a county road, but we are not interested in taking on any more dead end streets.

Commissioner Winterton stated that a concern he has, is that there is a paved road in there. If the road remains gravel, then we will have to send a blade in there where right now a plow goes in there. We are trying to eliminate as many gravel roads as we can for winter maintenance. If the county goes in to accept this, the plow will do the pavement and then bring the blade in later, which is not cost effective. He is not in favor of accepting these gravel roads because of maintenance problems.

Chairman Peatross stated that he is in favor of approving this subdivision, but it would be under the condition that the streets would not become county maintained until they are paved.

Mr. West stated that, with that said, let's just continue the project with the twenty two (22) lots, that way he will be able to get the funds for the project; he can't do it with seven (7).

Administrator Hyde stated that the 22 lots are already recorded and are official lots, it's considered a paper subdivision. No building permits can be issued until the roads are paved, the water lines are in, the connection over to 3000 West is done, and Mr. West would have to meet all requirements from 2007. Mr. West can withdraw his request, and would have to follow through with the improvements from 2007.

Chairman Peatross stated that as long as the county doesn't get stuck with any more gravel roads, he doesn't care what direction Mr. West goes.

Public Comment

Shalon Reynolds- She owns lot three (3) in Eagle Estates Phase 3 that already exists and is concerned about the surface septic. She would prefer to see the seven (7) lots sold not twenty two (22); the water table is very high. If you can't use your property, it's not worth a dime to you.

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Administrator Hyde stated that the water problem was an irrigation issue, but once that gets resolved, the land should dry up enough. We had Scott Hacking from DEQ attend the Planning Commission meeting who felt that Tri County Health would require the perk tests to be done again. Because of the high water table, we would prefer the seven (7) lots. If Mr. West withdraws his amendment to Phase 4, then we are done. If he would like to pursue it, then we can talk about conditions of approval; we just need to hear from Mr. West on what direction he wants to go.

Mr. West stated that the reason he came back and proposed the seven (7) lots is because he felt that it would be more economical and appealing, but since it's not the consensus of the commission, we should go back to the twenty two (22) lots and he will figure out a way to pave it. He is trying to justify how to pay for the gravel and pavement.

Commissioner Winterton stated that he likes the idea of the seven (7) lots, but doesn't like the idea of the county taking on these graveled roads.

Administrator Hyde recommended a recess of the hearing to allow Mr. West time to go to a paving contractor to find out the current paving costs, so that he would know which direction he should go. A person could buy a lot and get a building permit, but wouldn't be able to occupy the residence until the roads were complete. This is a fairly common occurrence since the recent recession; it's a part of the ups and downs of the housing market

Mr. West stated that he doesn't feel that he needs to recess the hearing and suggested going with the twenty two (22) lots and is withdrawing the amended plat request for Phase 4, Eagle Estates. He will pave as agreed within a year.

-Back In Regular Commission Meeting At 2:31 P.M...

Consideration Of Contract Time Extension On The Arcadia Road Reconstruction Project No. STP-1544(1)5

Chairman Peatross stated that this is a request from Horrocks Engineers. We discussed this with Horrocks Engineers a few weeks ago and recommended postponing this. *This agenda item was postponed by general consensus.*

Consideration Of Final Payment Request No. 13 For Construction Engineering Services On The Bluebell Connector Road/Second North Project No. STP-1584(1)0

Chairman Peatross stated that Horrocks Engineers' Rex Harrison sat down with Utah Department of Transportation (UDOT) as requested by the commission. He went through number by number on this project and found that the reason the numbers we were getting showed Roosevelt City owing us thirty thousand dollars (\$30,000.00) was due to the discrepancy in the change order with Roosevelt City. There is one hundred thousand dollars (\$100,000.00) missing and Mr. Harrison was assuming that Roosevelt City gave us the money, which gave us the credit instead of a seventy eight thousand dollar (\$78,000.00) deficit. The bill that we received from UDOT a few weeks ago, showed us owing sixty nine thousand five hundred seventy nine dollars (\$69,579.00), but, according to Mr. Harrison's calculations, if we add the other bill from Horrocks in the amount of six thousand dollars (\$6,000.000, and then add in a two thousand dollars (\$2,000.00) contingency to come up with round numbers to UDOT to clear out and close the account. He suggested that we send seventy eight thousand five hundred dollars (\$78,500.00) to UDOT. This leaves Roosevelt City owing us one hundred thousand dollars (\$100,000.00) for the change order. UDOT has not charged us any interest on this project according to Mr. Harrison. The good news about this is that the contract came in around one hundred forty eight thousand dollars (\$140,000.00) under the original estimate so we did save some money.

Commissioner Winterton motioned to approve the payment request number 13, in the amount of six thousand sixty one dollars and one cent (\$6,061.01). Commissioner Wood seconded the motion. All commissioners voted aye and the motion passed.

Consideration Of Partial Payment Request No. 20 For Design And Construction Engineering On The Pariette Road Reconstruction Project

Chairman Peatross stated that we discussed this earlier in the Commission Working meeting. Public Works Director Murphy recommended that we approve this payment request. *Commissioner Winterton motioned to approve partial payment request no. 20 in the amount of twenty three thousand four hundred fifty nine dollars and seventy cents (\$23,459.70). Commissioner Wood seconded the motion. All commissioners voted aye and the motion passed.*

Consideration Of The Dedication Of Public Right Of Way Along The Yellowstone Canyon Road, Within The Crystal Ranch

Attorney Stearmer stated that this is a condition of their conditional use permit; the right of way is there, its formalizing it by getting it recorded. *Commissioner Wood motioned to accept the dedication. Commissioner Winterton seconded the motion. All commissioners voted aye and the motion passed.*

Consideration Of Employee Retirement Contributions

Personnel Director Carrie Mascaro withdrew this item from the agenda.

Consideration Of The Minutes For Working Commission Meeting Held June 07, 2010

Commissioner Winterton motioned to approve the minutes as presented. Commissioner Wood seconded the motion. All commissioners voted aye and the motion passed.

Consideration Of The Minutes For Working Commission Meeting Held June 21, 2010

Commissioner Winterton motioned to approve the minutes as presented. Commissioner Wood seconded the motion. All commissioners voted aye and the motion passed.

Consideration Of The Minutes For Working Commission Meeting Held June 28, 2010

Commissioner Winterton motioned to approve the minutes as presented. Commissioner Wood seconded the motion. All commissioners voted aye and the motion passed.

Consideration Of The Minutes For Regular Commission Meeting Held June 28, 2010

Commissioner Winterton motioned to approve the minutes as presented. Commissioner Wood seconded the motion. All commissioners voted aye and the motion passed.

Consideration Of 2009 County Budget Audit Report –Aycock, Miles and Associates, C.P.A.'s

Deputy Clerk Auditor Judy Mutton, Mike Miles, & Cameron Olson with Aycock, Miles and Associates joined the meeting at 2:34 P.M...

Chairman Peatross suggested that the Duchesne/Wasatch Special Service District (Bluebench Landfill) Annual Financial Report be presented to the Landfill Board. Commissioner Wood stated that it would be good to postpone this and hold it at a Landfill meeting; they will discuss when and where later. Mr. Miles stated that the Landfill had a small net income of ninety thousand (\$90,000.00) and the engineers didn't raise the closure cost estimate but actually reduced it. The revenues went down twenty percent (20%), but still broke even; the only bad news is that it took on three and a half million dollars (\$3,500,000.00) in debt.

Mr. Miles presented findings of the Duchesne County Audit/Financial Statement and a comparison (see attached). Mr. Miles reported that the county operated within the budget in all departments and that fund 41 operated within the budget. The grant fund and debt services funds broke even. The Library had a surplus of one hundred twenty thousand dollars (\$120,000.00). The assets of the county increased and the liability stayed the same, so the fund balance is the net difference; this means that the financial conditions improved. We did some tests on expenses and verified that documentation was in order and documents were attached and controls were in order to safe guard county assets. We also went through the minute's process making sure that the commission is approving the payable run, making sure that it falls within sequence from one to another, and found that everything was in order there. We tested a number of state compliance issues and found that there was one that is a repeat from last year. The general fund is limited to how much is can contain in total in fund

balance and the total exceeded the states minimum. He spoke to Clerk Auditor Diane Freston who is going to eliminate that this year.

Mr. Olson presented findings of the Duchesne County Special Service District No. 3 General Purpose Financial Statement (see attached) and stated that the cash balance was three hundred eleven thousand dollars (\$311,000.00). The funding stopped the last two (2) quarters. Expenditures was three hundred eighteen thousand dollars (\$318,000.00), which was a loss of sixty eight thousand nine hundred eighty nine dollars (\$68,989.00) in the year. There were some state findings, the first one was resolved, and it was with Fidelity Bond; it's been paid. The second was that there wasn't a purchasing policy in place, and the third is that the general fund balance exceeded the legal limit.

Mr. Olson presented findings of the Duchesne County Special Service District No. 2 General Purpose Financial Statement and comparison (see attached). Mr. Olsen reported that the revenue went from seven million dollars (\$7,000,000.00) to three point eight million dollars (\$3,800,000.00). Capital outlets fund spent on road projects four million seven hundred thousand dollars (\$4,700,000.00). There were not findings.

Adjournment

Chairman Peatross adjourned the meeting at 3:15 P.M.

Read and approved this 26th day of July 2010.

Kent R. Peatross

Commission Chairman

Diane Freston

Clerk/Auditor

*Minutes of meeting prepared by BobbiJo Bailey*_____